

# PAPERWORK REDUCTION ACT SUBMISSION

**Please read the instructions before completing this form. For additional forms or assistance in completing this form, contact your agency's Paperwork Clearance Officer. Send two copies of this form, the collection instrument to be reviewed, the supporting statement, and any additional documentation to: Office of Information and Regulatory Affairs, Office of Management and Budget, Docket Library, Room 10102, 725 17th Street NW, Washington, DC 20503.**

1. Agency/Subagency originating request	2. OMB control number <span style="float: right;">b. <input type="checkbox"/> None</span> a. _____ - _____
3. Type of information collection ( <i>check one</i> ) a. <input type="checkbox"/> New Collection b. <input type="checkbox"/> Revision of a currently approved collection c. <input type="checkbox"/> Extension of a currently approved collection d. <input type="checkbox"/> Reinstatement, without change, of a previously approved collection for which approval has expired e. <input type="checkbox"/> Reinstatement, with change, of a previously approved collection for which approval has expired f. <input type="checkbox"/> Existing collection in use without an OMB control number For b-f, note Item A2 of Supporting Statement instructions	4. Type of review requested ( <i>check one</i> ) a. <input type="checkbox"/> Regular submission b. <input type="checkbox"/> Emergency - Approval requested by _____ / _____ / _____ c. <input type="checkbox"/> Delegated
	5. Small entities Will this information collection have a significant economic impact on a substantial number of small entities? <input type="checkbox"/> Yes <input type="checkbox"/> No
	6. Requested expiration date a. <input type="checkbox"/> Three years from approval date b. <input type="checkbox"/> Other Specify: _____ / _____
7. Title	
8. Agency form number(s) ( <i>if applicable</i> )	
9. Keywords	
10. Abstract	
11. Affected public ( <i>Mark primary with "P" and all others that apply with "x"</i> ) a. <input type="checkbox"/> Individuals or households d. <input type="checkbox"/> Farms b. <input type="checkbox"/> Business or other for-profit e. <input type="checkbox"/> Federal Government c. <input type="checkbox"/> Not-for-profit institutions f. <input type="checkbox"/> State, Local or Tribal Government	12. Obligation to respond ( <i>check one</i> ) a. <input type="checkbox"/> Voluntary b. <input type="checkbox"/> Required to obtain or retain benefits c. <input type="checkbox"/> Mandatory
13. Annual recordkeeping and reporting burden a. Number of respondents _____ b. Total annual responses _____ 1. Percentage of these responses collected electronically _____ % c. Total annual hours requested _____ d. Current OMB inventory _____ e. Difference _____ f. Explanation of difference 1. Program change _____ 2. Adjustment _____	14. Annual reporting and recordkeeping cost burden ( <i>in thousands of dollars</i> ) a. Total annualized capital/startup costs _____ b. Total annual costs (O&M) _____ c. Total annualized cost requested _____ d. Current OMB inventory _____ e. Difference _____ f. Explanation of difference 1. Program change _____ 2. Adjustment _____
15. Purpose of information collection ( <i>Mark primary with "P" and all others that apply with "X"</i> ) a. <input type="checkbox"/> Application for benefits e. <input type="checkbox"/> Program planning or management b. <input type="checkbox"/> Program evaluation f. <input type="checkbox"/> Research c. <input type="checkbox"/> General purpose statistics g. <input type="checkbox"/> Regulatory or compliance d. <input type="checkbox"/> Audit	16. Frequency of recordkeeping or reporting ( <i>check all that apply</i> ) a. <input type="checkbox"/> Recordkeeping b. <input type="checkbox"/> Third party disclosure c. <input type="checkbox"/> Reporting 1. <input type="checkbox"/> On occasion 2. <input type="checkbox"/> Weekly 3. <input type="checkbox"/> Monthly 4. <input type="checkbox"/> Quarterly 5. <input type="checkbox"/> Semi-annually 6. <input type="checkbox"/> Annually 7. <input type="checkbox"/> Biennially 8. <input type="checkbox"/> Other (describe) _____
17. Statistical methods Does this information collection employ statistical methods <input type="checkbox"/> Yes <input type="checkbox"/> No	18. Agency Contact (person who can best answer questions regarding the content of this submission)  Name: _____ Phone: _____

## 19. Certification for Paperwork Reduction Act Submissions

On behalf of this Federal Agency, I certify that the collection of information encompassed by this request complies with 5 CFR 1320.9

**NOTE:** The text of 5 CFR 1320.9, and the related provisions of 5 CFR 1320.8(b)(3), appear at the end of the instructions. *The certification is to be made with reference to those regulatory provisions as set forth in the instructions.*

The following is a summary of the topics, regarding the proposed collection of information, that the certification covers:

- (a) It is necessary for the proper performance of agency functions;
- (b) It avoids unnecessary duplication;
- (c) It reduces burden on small entities;
- (d) It used plain, coherent, and unambiguous terminology that is understandable to respondents;
- (e) Its implementation will be consistent and compatible with current reporting and recordkeeping practices;
- (f) It indicates the retention period for recordkeeping requirements;
- (g) It informs respondents of the information called for under 5 CFR 1320.8(b)(3):
  - (i) Why the information is being collected;
  - (ii) Use of information;
  - (iii) Burden estimate;
  - (iv) Nature of response (voluntary, required for a benefit, mandatory);
  - (v) Nature and extent of confidentiality; and
  - (vi) Need to display currently valid OMB control number;
- (h) It was developed by an office that has planned and allocated resources for the efficient and effective management and use of the information to be collected (see note in Item 19 of instructions);
- (i) It uses effective and efficient statistical survey methodology; and
- (j) It makes appropriate use of information technology.

If you are unable to certify compliance with any of the provisions, identify the item below and explain the reason in Item 18 of the Supporting Statement.

Signature of Senior Official or designee

Date

Agency Certification (signature of Assistant Administrator or head of MB staff for L.O.s, or of the Director of a Program or Staff Office)	
Signature	Date
Signature of NOAA Clearance Officer	
Signature	Date

## **SUPPORTING STATEMENT**

### **Licensing of Private Remote-Sensing Space Systems 0648-0174**

#### **A. JUSTIFICATION:**

1. The information is being collected in order to issue licenses and related amendments to operate space based private Remote-sensing systems, to review foreign agreements entered into by licensees, and to perform monitoring and compliance functions for licensed systems. The National Oceanic and Atmospheric Administration (NOAA) has issued interim regulations for its licensing program under Title II of the Land Remote Sensing Policy Act of 1992, 15 U.S.C. 5601 et seq. (1992 Act) the Presidential Decision Directive-23 of March 10, 1994, the 1997 National Defense Authorization Act section 1064, and the Commercial Space Act of 1998, 42 U.S.C. 70101 et seq. They facilitate the development of the U.S. commercial remote-sensing industry and thus promote of the collection and widespread availability of Earth Remote-sensing data while preserving essential U.S. national security and foreign policy interests.

2. NOAA is the Collection Agency. Applications are made in response to the requirements in Public Law 102-555 as amended, and no collection forms are used. The application information received is used to determine if the applicant meets the legal criteria for issuance of a license to operate a private remote-sensing space system i.e., the proposed system will be operated in accordance with the Act, U.S. national security concerns and international obligations. Application information includes: corporate information; launch segment information; space segment information; ground segment information; plans and/or pricing policy for providing access to or distributing the unenhanced data generated by the system; the plan for post-mission disposition of any remote-sensing satellites; and an executive summary of the application that can be provided to the public.

- Corporate information is required to verify that the applicant is a legitimate corporate entity in good standing and to ascertain ownership, control, and influence over that entity.
- Launch segment, space segment, and ground segment information contain the technical specifications, operational performance parameters, and concept of operations necessary to make determinations on impacts to national security and intelligence concerns and the corresponding level of protections required (eg., encryption, operational security) to address such concerns. This information is also essential to the U.S. Government (USG) ability to implement, in a reliable and timely fashion, special limitations on collection and/or dissemination in times of national security crises (i.e., shutter control).

- Information on data access and dissemination policies and plans, including provision of data to the National Archive and the sensed state, is necessary to ensure licensee activities are consistent with statutory requirements under sections 201 and 202 of the Act.
- Information on planned post-mission disposition of the spacecraft is necessary to ensure public safety and minimize orbital debris.
- In the interest of tax payers having access to basic information concerning NOAA's regulatory activities, NOAA requires licensees to provide an executive summary of their application that can be made available to the public.

Once an applicant holds a license, he/she is subject to amendment filings and notification requirement concerning foreign agreements, deviation in orbits, planned disposition of the spacecraft; and notification of system demise or decision to discontinue operations.

- Notification of foreign agreements, including certain investment agreements, is required to ensure that the agreement is consistent with the terms of the license with regards to national security and foreign policy and international obligations and, specifically, that positive control of licensed systems is at all times maintained by the license holder which is under US jurisdiction.
- Notification of deviation in orbits is an important change that could significantly impact imaging capabilities and affect other space vehicles or platforms.
- Notification of system demise or of a licensee's decision to discontinue or suspend operations is necessary so that NOAA may terminate the subject license in a timely manner and verify that the licensee continues to adhere to the obligations of the licensee that survive termination.

Monitoring and compliance information is used to ascertain that the licensee's activities meet the requirements of the Act, applicable regulations, and license conditions. The following information collections serve as part of the monitoring and compliance function: annual compliance audits; data collection restriction plans; operation plans for restricting collection and dissemination of imaging Israeli territory; data flow diagrams; satellite sub-system diagrams and imaging system specification sheets; operational declarations; quarterly reports; purge notifications; and annual operational audits.

- Annual compliance audits address previous information filed with NOAA as part of the original license application process. For example, any changes in corporate structure, ownership, financial investments, etc. Licensees are required to produce copies of documents which reflect changes to the original submissions.
- Data Collection Restriction plans are required to document the methodology the licensee will employ to comply with the restricted area provisions in the license. Usually these plans are

produced for internal company use and are then provided to NOAA for review and concurrence. This plan will be submitted 12 months prior to launch.

- Operations plan for restricting collection or dissemination of imagery of Israeli territory as required by the Kyl-Bingaman Amendment to the 1997 Defense Authorization Act. Usually these plans are produced for internal company use and are then provided to NOAA for review and concurrence. This plan will be submitted 12 months prior to launch.
  - Data flow diagrams are used to verify the data path the licensee will use to communicate tasking requests to the satellite and subsequently download the collected images to a ground station for processing and sale. As with the restricted area plans these diagrams are used extensively within the company and are simply provided to NOAA for review. This diagram will be submitted 6 months prior to launch.
  - Satellite sub-system diagrams and imaging system specification sheets are used to verify that the physical satellite represented to NOAA as the actual system, can be confirmed through technical review. This assures that the licensee is complying with the specifications outlined in the operating license. These documents will be submitted 6 months prior to launch.
  - An operational declaration is required to officially inform the government of the status of the satellite system. A one page questionnaire is completed and submitted to NOAA in order to establish the baseline of actual operating parameters. This declaration will be submitted when the licensee declares the system to be operational.
  - Quarterly reports require the licensee to verify to the government in writing of any occasion in which the system was operated outside of the terms of the license or any applicable laws. The reporting cycle for the quarterly reports will begin three months after the system is declared operational.
  - Purge notifications are to be sent to Department of Interior National Satellite Land Remote Sensing Archive to satisfy the requirements in the Act, will be provided by the licensee for review. Purge audits will include time, location, sensor, format, and media for the data the licensee intends to discard.
  - Annual operational audits review 12 months of the satellite tasking log and associated meta-data, which PDD 23 requires the licensees to maintain, in order to verify their operational activities during the past 12 months. In addition, the Annual operational audits will include information that is required for the Annual Compliance Audit.
3. NOAA is requesting that applicants provide an electronic copy of the application and executive summary to facilitate more timely dissemination of information to reviewing agencies and USG

response to the applicant. In the future, NOAA plans to establish an electronic form that licensees could print and would be required to use. Applications will not be made available to the public since almost all this information is proprietary. However, the executive summary will be posted on NOAA's licensing website.

4. The information collected relates to a unique benefit and no duplication has been identified. Information that is required by other agencies will not be required and NOAA will obtain this information directly from the relevant USG agency. Examples of these include Securities and Exchange Commission forms 10K and 10Q, and Committee on Foreign Investment in the United States reviews.
5. While small businesses may be respondents, the collection would not have any significant impact upon them and the information requested is the minimum needed to make the necessary determinations.
6. Without collecting the information described in the regulations, NOAA would be unable to ascertain whether the proposed or actual operations of the applicant's system comply with applicable statutory requirements and conditions.
7. The collection is consistent with the OMB guidelines.
8. NOAA held a public meeting in April 1998 where industry expressed its desire for greater transparency and certainty in NOAA's licensing process. Industry emphasized that such a licensing regime is critical to its ability to make rational business decisions. The added data collection requirements can help engender this more transparent process because by enumerating a specific and more complete set of questions that need to be answered at the start of the process, it avoids lengthy, and piecemeal requests later. Also extensive dialogue between the newly-established Enforcement Office and the regulated industry served as key input for the proposed monitoring and compliance requirements.

On November 3, 1997, NOAA issued a Notice of Proposed Rulemaking (NPRM) (See 62 FR 59317). NOAA received 24 sets of public comments regarding the November 3, 1997, Notice from a wide range of interests in industry, academia, government, and the foreign policy community. Most issues raised can be summarized under the following categories: 1) control, ownership, and investment; 2) national security interests, foreign policy and international obligations; 3) review of foreign agreements; 4) confidentiality of information; and 5) the interagency memorandum of understanding. There were no comments on the estimated cost and hour burden for information collections.

In the interim rule published on July 31, 2000, NOAA again solicited comments on the information collections, and none were received.

9. No payments or gifts are made to respondents.

10. Protection of proprietary information would be in accordance with the Federal Trade Secrets Act and the Freedom of Information Act, and the Departmental procedures for compliance with the Freedom of Information Act (see 15 CFR 4). NOAA believes that adequate protection for proprietary information is contained in the Freedom of Information Act. No other confidentiality is promised or provided.

11. No sensitive questions are asked.

12. The estimated burdens for the licensing, monitoring, and compliance activities are calculated as follow:

- 1 license application with 40 hour burden = 40 hrs
- 5 amendments with 10 hour burden = 50 hrs
- 4 foreign agreement notifications (including investment) with 2 hour burden = 8 hrs
- 6 executive summaries with 1 hour burden = 6 hrs
- 1 notification of the demise of a system or a decision to discontinue system operations with 2 hour burden = 2 hrs
- 2 notifications of any operational deviation with 2 hour burden = 4 hrs
- 2 submissions of data collection restriction plans with 5 hour burden = 10 hrs
- 2 submissions of operational plans for restricting collection or dissemination of Israeli territory with 3 hour burden = 6 hrs
- 2 submissions of data flow diagrams with 3 hour burden = 6 hrs
- 2 submissions of satellite sub-systems drawings with 1 hour burden = 2 hrs
- 2 submissions of final imaging system specifications with 3 hour burden = 6 hrs
- 2 submissions of spacecraft operational information when a spacecraft becomes operational with 2 hour burden = 4 hrs
- 1 notification of disposition/orbital debris change with 2 hour burden = 2 hrs
- 10 notifications of planned purges of information with 2 hour burden = 20 hrs
- 12 operational quarterly reports with 3 hour burden = 36 hrs
- 9 Annual compliance audits with 8 hour burden = 72 hrs
- 4 Annual operational audits with 10 hour burden = 40 hrs

Totals: 13 respondents, 67 responses, 314 hours.

Estimating respondent time at \$40 an hour, respondent costs would be \$12,560. Calculations were made based on past history in licensing process as well as projected industry trends.

13. The total capital and start-up costs are expected to be zero because the reporting requirements will utilize equipment and software that will be used as part of customary and usual business practices. The total annual costs (operations and maintenance) are expected to be \$1000. This figure includes charges for postage, photocopies, diskettes for electronic filings and facsimiles.

14. The annual cost to the Federal Government to process the information obtained is estimated at \$127,000. This estimate is the relevant portions of the licensing and compliance budgets (i.e., supplies, equipment, communications, and salary/benefits).

15. No changes are proposed.

16. The result of the collection will not be published.

17. No application form is used. NOAA does not seek a waiver of the requirement to display the OMB expiration date.

18. There are no exceptions to the certification statement.